

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
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FLOOR DEBATE

April 28, 2003 LB 156

CLERK: Mr. President, LB 156 was a bill originally introduced by Senator Quandahl. (Read title.) The bill was introduced on January 10 of this year, referred to the Banking, Commerce, and Insurance Committee. The bill was advanced to General File. I do have committee amendments, Mr. President.

SENATOR CUDABACK: Thank you, Mr. Clerk. Senator Quandahl, to open on LB 156.

SENATOR QUANDAH: Thank you, Mr. President, members of the body. Here to open on LB 156, which deals with the disclosure of confidential information. Under current law, specifically Neb Rev Stat Section 8-1401, financial institutions and other entities are not required to disclose customer information which they deem to be confidential, unless they first receive a court order setting forth the exact nature and limits of any required disclosure, and reflecting that all persons affected by that disclosure have had reasonable notice and opportunity to be heard on the merits of that order. Now, LB 156 as originally introduced was designed to clarify the circumstances under which a financial institution or other entity would be required to disclose customer records or information that it deems confidential, particularly with regard to disclosures to law enforcement agencies and state agencies. While the current statute has required a court order preceded by reasonable notice and opportunity to be heard, financial institutions have encountered criticisms when denying requests from state agencies or law enforcement officials which have not complied with the court order and prior notice provisions of the current Section 8-1401. LB 156 was introduced to try to provide some order, some clarification, and some guidance to those financial institutions. Now, I will tell you that there will be committee amendments that I will introduce and explain. They will replace and they will become the bill. And they will also eliminate a fairly substantial fiscal note that was reflected in the original LB 156. Thank you.

SENATOR CUDABACK: Thank you, Senator Quandahl. You've heard the opening on LB 156. There are committee amendments, as stated. Senator Quandahl, you're recognized to open, as